

Public limited company with Board of Directors, with a capital of 145 896 429,75 euros.
Head Office: 4 Quai de la Mégisserie – 75001 PARIS (France)
R.C.S. Paris 377 913 728

**Annual results for 2003-2004:
an increase of 29% in consolidated net income**

The annual financial statements approved by the Board of Vilmorin Clause & Cie for the fiscal year ending on June 30th 2004 show a consolidated net income of 31.6 million euros, the Group share of which is 30.2 million euros.

<i>In millions of euros</i>	2003-2004 fiscal year	Variation
SALES	492.2	+ 13.3%
<i>PROFESSIONAL</i>	292.5	+ 24.8%
<i>HOME GARDEN</i>	199.7	-0.2%
OPERATING INCOME	50.7	+ 9.3%
NET INCOME	31.6	+ 29.0%
NET INCOME GROUP SHARE	30.2	+ 29.6%

COMMENTS ON 2003-2004 ANNUAL STATEMENTS

After a fiscal year for 2002-2003 showing sustained growth in its business activities and a strong increase in its profitability, for its fiscal year 2003-2004 Vilmorin Clause & Cie has once again performed well both in sales and profits.

During the year, the main variations in consolidation scope concerned the majority stake acquired in July 2003 of the Israeli company Hazera Genetics, and the acquisition, in January 2004, of the German company Carl Sperling & Co.

Consolidated sales reached 492.2 million euros on June 30th 2004, up 13.3% compared with the previous year.

With comparable data, after restatement for variations in scope and exchange rates, the increase amounts to 3.7%.

Taking into account the destruction of inventory covered by reserves, the commercial margin reached 67.5%, edging up 0.2 point in relation to 2002-2003.

This figure confirms the trend of previous years, showing that Vilmorin Clause & Cie has the capacity to develop regular profitable organic growth throughout its business.

Research expenditure for 2003-2004 stood at 34.7 million euros and now represents 12.8% of sales made in the Professional Division.

The consolidated operating income rose by 9.3% compared to the previous year, reaching 50.7 million euros, recording an operating margin of 10.3 % with current data.

Implementation of an integrated information system (ERP) in the Professional Division has enabled Vilmorin Clause & Cie to fully harmonize the application of stock valuing methods in 2003-2004 between the different subsidiaries concerned.

If adjusted for the impact of this non-recurring operation, the operating margin would have reached almost 11%.

The financial income shows a net expense of 2.6 million euros as opposed to 5.3 million euros in 2002-2003. The extraordinary income showed a break-even position as June 30th 2004.

Finally, the net margin reached 6.4% of consolidated sales compared to 5.6% on June 30th 2003.

Moreover, on June 30th 2004, the balance sheet structure once again shows a significant reduction of working capital needs, and was not unduly affected by any external growth operations finalized during the year.

Thus, net of cash and bank, and restated for securitization operations, total net indebtedness remains stable at 59.1 million euros compared with 57.3 million euros on June 30th 2003 and now represents only 19 % of net equity.

DIVIDEND

The Board of Vilmorin Clause & Cie has decided to propose to the Annual General Meeting of Shareholders a net dividend of 4.60 euros, i.e. a total dividend, French tax credit included, of 6.90 euros.

This dividend corresponds to a pay-out rate of 48.6% and to a total return of 5.1% on the basis of the average quotation of September 2004.

It will be paid as of December 21st next.

OUTLOOK

Over and above the initially set objectives, the fiscal year for 2003-2004 was characterized by sustained organic growth in the Professional Division and overall confirmation of the performances of the Home Garden Division, along with the successful integration of the recently integrated companies of Hazera Genetics and Sperling.

Through the strength of the balanced development of its two business divisions and their complementary nature, Vilmorin Clause & Cie has the opportunity to reinforce its position as a world leader, both in the Home Garden and Professional markets, and provide perspectives for regular sustainable growth.

For the 2004-2005 fiscal year, Vilmorin Clause & Cie has set the objective of expanding its business activities and profitability following the trend of previous years.

COMING PUBLICATIONS

A full version of the corporate and consolidated accounts will be published in French in the "Bulletin des Annonces Légales Obligatoires" on October 8th 2004. They will subsequently be available for consultation in English.

Sales for the first quarter of the fiscal year for 2004-2005 will be published at the end of the day on November 9th 2004.

The Annual General Meeting of the Shareholders will be held on December 7th in Paris (Centre de Conférences Etoile Saint-Honoré – 21-25, rue Balzac – PARIS 8^{ème}).

World leader at the cutting edge of innovation, Vilmorin Clause & Cie has been creating, producing and marketing vegetable seeds for vegetable production markets and outdoor leisure for 260 years.

Its strategy and growth perspectives combined with a responsible view of its development, make its stock an efficient and high-profit security.

Listed on the Second Market of Euronext Paris since 1993, Vilmorin Clause & Cie's quotation is included in the Second Market and SBF 250 indices.

ISIN code: FR0000052516 (RIN) – Reuters code: VILM.PA

Website: www.vilmorinclause.com

For further information, please contact:

Daniel JACQUEMOND

Chief Financial Officer

Vilmorin Clause & Cie

BP 1 – 63720 CHAPPES (France)

Tel: + 33 (0)4 73 63 41 95

Fax: + 33 (0)4 73 64 67 36

E-mail: daniel.jacquemond@vilmorinclause.com